

**LASALLE PARISH RECREATION
DISTRICT 22
OLLA, LOUISIANA**

Financial Statements

December 31, 2012

Louisiana

LEGEND

- ① Prices of 100,000 or more in thousands
- ② Prices of 75,000 to 100,000 in thousands
- ③ Prices of 25,000 to 75,000 in thousands

LaSalle Recreation District No. 22

Standard Metropolis in Shaded Area

- LaSalle Parish Recreation District No. 22 was created by ordinance of the LaSalle Parish Police Jury on April 7, 1964, as authorized by Louisiana Revised Statute 33:4562-4566. The Recreation District is administered by a board of five commissioners who are qualified voters and residents of the District. The five commissioners are collectively referred to as the board of commissioners and are appointed by the LaSalle Parish Police Jury. The Recreation District owns and operates bowling, swimming and recreational facilities in the District to promote recreation for the general health and well-being of youth.

**LaSalle Parish Recreation District 22
Olla, Louisiana**

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December 31, 2012**

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Board of Directors
LaSalle Parish Recreation District 22
Olla, Louisiana,

We have compiled the accompanying financial statements, management's discussion and analysis, and require supplemental information of the governmental activities of the LaSalle Parish Recreation District 22, Olla, Louisiana, as of and for the year ended December 31, 2012. We have not audited or reviewed the accompanying financial statements, management's discussion and analysis, and required supplemental information and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the LaSalle Parish Recreation District 22, Olla, Louisiana, is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management of the LaSalle Parish Recreation District 22, Olla, Louisiana, in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The Vercher Group

Jena, Louisiana
June 19, 2013

LaSalle Parish Recreation District 22

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the District, we offer readers of the LaSalle Parish Recreation District 22's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$425,344 (*net position*). Of this amount, \$64,978 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The District had total revenue of \$169,654. This is a \$57,979 increase from last year, mainly due to an increase in loan proceeds and ad valorem tax.
- The District had total expenditures of \$108,742. This is a \$1,354 increase from last year, mainly due to an increase in YMCA reimbursements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The District is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the District adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*.

See accountant's report.

MD&A

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

USING THIS ANNUAL REPORT

The District's annual report consists of financial statements that show information about the District's fund.

The General Fund is the primary operating fund of the District. It accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the District's policy.

Table 1
Balance Sheet

The following table represents a Comparative Balance Sheet as of December 31, 2012:

Assets	2011	2012	% Change
Current Assets	\$ 61,683	\$ 121,557	97.1
Capital Assets, Net	389,203	360,366	-7.4
Total Assets	450,886	481,923	6.9
Liabilities			
Current Liabilities	24,483	23,378	-4.5
Non-Current Liabilities	29,821	33,201	11.3
Total Liabilities	54,304	56,579	4.2
Net Position			
Invested in Capital Assets, Net of Related Debt	337,628	360,366	6.7
Unrestricted	58,954	64,978	10.2
Total Net Position	396,582	425,344	7.3
Total Liabilities & Net Position	\$ 450,886	\$ 481,923	6.9

See accountant's report.

MD&A

Table 2
Changes in Fund Balance

The following table represents the Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance for the year ended December 31, 2012:

	2011	2012	% Change
Beginning Fund Balance	\$ 54,667	\$ 58,954	7.8
Revenues:			
Ad Valorem Tax	102,644	142,313	38.7
Service Revenue	6,475	-0-	-100.0
Other Revenue	2,556	2,341	-8.4
Total Revenues	<u>111,675</u>	<u>144,654</u>	29.5
Expenses:			
Administrative	5,640	5,440	-3.6
General	52,709	38,373	-27.2
Debt Service	22,999	22,999	0.0
YMCA Reimbursements	22,500	38,134	69.5
Other	3,540	3,796	7.2
Total Expenditures	<u>107,388</u>	<u>108,742</u>	1.3
Other Financing Sources (Uses):			
Loan Proceeds	-0-	25,000	100.0
Total Other Financing Sources (Uses)	<u>-0-</u>	<u>25,000</u>	100.0
Increase (Decrease) in Fund Balance	<u>4,287</u>	<u>60,912</u>	1,320.9
Ending Fund Balance	<u>\$ 58,954</u>	<u>\$ 119,866</u>	103.3

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2012, the District had \$360,366 invested in capital assets including buildings, land, and equipment.

	2011	2012
Land *	\$ 12,760	\$ 12,760
Building	382,406	382,406
Equipment	134,941	134,941
Accumulated Depreciation	(140,904)	(169,741)
Total Net Capital Assets	<u>\$ 389,203</u>	<u>\$ 360,366</u>

* Land is not being depreciated.
See accountant's report.

MD&A

Debt

The remaining principal balance for the District's long term debt was \$29,888 and the remaining principal balance for the District's short term debt was \$25,000, as of December 31, 2012.

Cooperative endeavor agreement

LaSalle Parish Recreation District 22 signed a cooperative endeavor agreement with YMCA of Northeast Louisiana, a non-profit corporation. The agreement states the District's obligations are to fund facility expenses, repairs and maintenance, etc. In return, the YMCA obligations are to provide a variety of YMCA programs for the citizens of LaSalle Parish.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Erin Masters, at the LaSalle Parish Recreation District 22, PO Box 223, Olla, Louisiana, 71465, telephone number (318) 992-3253.

See accountant's report.

Basic Financial Statements

LaSalle Parish Recreation District 22
Olla, Louisiana

Statement of Net Position
December 31, 2012

ASSETS

Current Assets

Cash	\$ 19,998
Ad Valorem Tax Receivable	<u>101,559</u>
Total Current Assets	<u>121,557</u>

Non-Current Assets

Property, Plant, & Equipment, Net	<u>360,366</u>
Total Non-Current Assets	<u>360,366</u>

TOTAL ASSETS	<u>481,923</u>
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LIABILITIES

Current Liabilities

Accounts Payable	1,691
Notes Payable – Current	<u>21,687</u>
Total Current Liabilities	<u>23,378</u>

Non-Current Liabilities

Notes Payable – Non Current	<u>33,201</u>
Total Non-Current Liabilities	<u>33,201</u>

TOTAL LIABILITIES	<u>56,579</u>
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NET POSITION

Invested in Capital Assets, Net of Related Debt	360,366
Unrestricted	<u>64,978</u>
TOTAL NET POSITION	<u>\$ 425,344</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

LaSalle Parish Recreation District 22
Olla, Louisiana

Statement of Activities
Year Ended December 31, 2012

<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>CAPITAL GRANTS & OTHER CONTRIBUTIONS</u>	<u>NET (EXPENSE) REVENUE</u>
Governmental Activities:				
General Government	\$ (114,580)	\$ -0-	\$ -0-	\$ (114,580)
Interest Expense	(1,312)	-0-	-0-	(1,312)
Total	\$ (115,892)	\$ -0-	\$ -0-	(115,892)
REVENUES:				
				142,313
				2,341
				<u>144,654</u>
				28,762
				396,582
				<u>\$ 425,344</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

LaSalle Parish Recreation District 22
Olla, Louisiana

Balance Sheet
December 31, 2012

	GENERAL FUND
ASSETS	
Cash	\$ 19,998
Ad Valorem Tax Receivable	101,559
TOTAL ASSETS	<u>121,557</u>
 LIABILITIES & FUND BALANCE	
 LIABILITIES	
Accounts Payable	1,691
TOTAL LIABILITIES	<u>1,691</u>
 FUND BALANCES	
Unassigned	119,866
TOTAL FUND BALANCES	<u>119,866</u>
 TOTAL LIABILITIES & FUND BALANCE	 \$ <u>121,557</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

**LaSalle Parish Recreation District 22
Olla, Louisiana**

**Reconciliation of the Balance Sheet
to the Statement of Net Position
Year Ended December 31, 2012**

Total fund balance – governmental funds	\$ 119,866
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	(54,888)
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the balance sheet – governmental funds.	360,366
Total net position of governmental activities	\$ <u>425,344</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

**LaSalle Parish Recreation District 22
Olla, Louisiana**

**Reconciliation of the Balance Sheet
to the Statement of Net Position
Year Ended December 31, 2012**

Total fund balance – governmental funds	\$ 119,866
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Amounts reported for governmental activities in the
Statement of Net Position are different because:

Long-term liabilities are not due and payable in the current
period and therefore are not reported in the governmental funds.

(54,888)

Capital assets used in governmental activities are not
current financial resources and, therefore, are not
reported in the balance sheet – governmental funds.

360,366

Total net position of governmental activities

\$ 425,344

See accountant's report.
The accompanying notes are an integral part of this statement.

**LaSalle Parish Recreation District 22
Olla, Louisiana**

**Statement of Revenues, Expenditures, & Changes in Fund Balances
For The Year Ended December 31, 2012**

REVENUE	
Ad Valorem Tax	\$ 142,313
Other Revenue	2,341
TOTAL REVENUE	<u>144,654</u>
EXPENDITURES	
Payroll & Related Taxes	5,440
Supplies	1,258
Utilities	13,101
Insurance	8,434
Office Expense	618
Repairs & Maintenance	12,223
Professional Fees	2,739
Miscellaneous	3,796
Debt Service	22,999
YMCA Payroll Reimbursement	38,134
TOTAL EXPENDITURES	<u>108,742</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	35,912
OTHER FINANCING SOURCES (USES)	
Loan Proceeds	25,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>25,000</u>
NET CHANGE IN FUND BALANCE	60,912
FUND BALANCE – BEGINNING OF YEAR	58,954
FUND BALANCE – END OF YEAR	\$ <u>119,866</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

**Reconciliation of the Statement of Revenues, Expenditures, & Changes in Fund Balances
to the Statement of Activities
Year Ended December 31, 2012**

Capital Outlays	-0-
Depreciation	(28,837)
	<u>(28,837)</u>
Change in net position of governmental activities	\$ <u>28,762</u>

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**Notes to the Basic Financial
Statements**

LaSalle Parish Recreation District 22
Olla, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS

INTRODUCTION

LaSalle Parish Recreation District 22 was created on April 7, 1964, by the LaSalle Parish Police Jury, as authorized by Louisiana Revised Statute 33:4562. The Recreational District is administered by a board of five commissioners who are appointed by the LaSalle Parish Police Jury. The District owns and operates recreational facilities and engages in activities designed to provide recreation to the Olla communities.

For financial reporting purposes, the District is a component unit of the LaSalle Parish Police Jury, the governing body of the parish. The accompanying financial statements present financial information only on the funds maintained by LaSalle Parish Recreation District 22 and do not present information on the Police Jury and the general government services provided by that governmental unit or any of its other component units.

LaSalle Parish Recreation District 22 signed a cooperative endeavor agreement with YMCA of Northeast Louisiana, a non-profit corporation. The agreement states the District's obligations are to fund facility expenses, repairs and maintenance, etc. In return, the YMCA obligations are to provide a variety of YMCA programs for the citizens of LaSalle Parish.

1. SUMMARY OF SIGNIFICANT POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the LaSalle Parish Recreation District 22 have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999. Certain significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the District's overall financial position and results of operations;
- Financial statements prepared using full accrual accounting for all of the District's activities; and
- A change in the fund financial statements to focus on the major funds.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the LaSalle Parish Police Jury is the financial reporting entity for LaSalle Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

LaSalle Parish Recreation District 22
Jena, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the LaSalle Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints the District's board, the District was determined to be a component unit of the LaSalle Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by the police jury, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

Governmental funds account for all or most of the District's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the District. The following are the District's governmental funds:

General Fund - The primary operating fund of the District; it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the District's policy.

LaSalle Parish Recreation District 22
Jena, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund of the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the District's operations. (See the reconciliation statements).

The amounts reflected in the General Fund of Statements in the FFS use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Charges for services are recorded when received. Interest income on time deposits is recorded when the time deposits have matured. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, ad valorem taxes have been treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

LaSalle Parish Recreation District 22
Jena, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include all the financial activities of the District. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities are derived directly from the District's users as a charge for services; program revenues reduce the cost of the function to be financed from the District's general revenues.

Impact of Recently Issued Accounting Principles

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASBS No. 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for periods beginning after December 15, 2011, and has been implemented in fiscal year 2012. The adoption of GASBS No. 62 does not have any impact on the Authority's financial statements.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASBS No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The Statement of Net Assets is renamed the Statement of Net Position and includes the following elements: assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. This Statement is effective for periods beginning after December 15, 2011, and has been implemented in fiscal year 2012. The adoption of GASBS No. 63 does not have any impact on the Authority's financial statements.

LaSalle Parish Recreation District 22
Olla, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

E. DEPOSITS & INVESTMENTS

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the District to invest in collateralized certificate of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the District are reported at fair value.

F. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable columns in the government-wide financial statements. Capital assets are capitalized at historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense included during the current fiscal year was \$-0-. Of this amount, \$-0- was included as part of the cost of capital assets under construction in connection with construction projects.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>	
Buildings	40	years
Equipment	7	years

G. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

LaSalle Parish Recreation District 22
Olla, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

H. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

I. BUDGETS

Budgets for the LaSalle Parish Recreation District 22 are adopted on a basis consistent with U.S. generally accepted accounting principles. The proposed budget, prepared on the modified accrual basis of accounting, for fiscal year December 31, 2012, was completed, published, and made available for public inspection in December 2010. The budget was legally adopted and amended, as necessary, by the LaSalle Parish Recreation District 22 following the public hearing. All expenditure appropriations lapse at year end. The LaSalle Parish Recreation District 22 has sole authority to make changes or amendments within various budget classifications.

2. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

At December 31, 2012, the District had cash and investments (bank balances) totaling \$27,008 as follows:

Cash in Bank	\$ 27,008
Total	\$ <u>27,008</u>

These deposits are stated at cost, which approximated market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Deposits

It is the District's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The District's deposits are categorized to give an indication of the level of risk assumed by the District at year end. The categories are described as follows:

- **Category 1** – Insured or collateralized with securities held by the District or by its agent in the District's name.
- **Category 2** – Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.
- **Category 3** – Uncollateralized.

LaSalle Parish Recreation District 22
Olla, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Amounts on deposit at the bank are secured by the following:

<u>Description</u>	<u>Market Value</u>
FDIC (Category 1)	\$ 27,008
Securities Pledged (Category 2)	-0-
Total	\$ 27,008

3. RECEIVABLES

The ad valorem taxes receivable as of December 31, 2012, were \$101,559. Allowance for doubtful accounts is considered immaterial and is not presented.

4. CAPITAL ASSETS

Capital asset activity as of and for the year ended December 31, 2012, for the primary government is as follows:

<u>Capital Assets</u>	<u>Beginning of Period</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>End of Period</u>
Land * (Not Being Depreciated)	\$ 12,760	\$ -0-	\$ -0-	\$ 12,760
Buildings	382,406	-0-	-0-	382,406
Equipment	134,941	-0-	-0-	134,941
Total Capital Assets	530,107	-0-	-0-	530,107
Accumulated Depreciation	(140,904)	(28,837)	-0-	(169,741)
Net Capital Assets	\$ 389,203	\$ (28,837)	\$ -0-	\$ 360,366

5. ACCOUNTS PAYABLE

The payables of \$1,691 at December 31, 2012, were as follows:

Vendors Payable	1,691
Total	\$ 1,691

6. SHORT-TERM DEBT

The District incurred short-term debt during the year to help pay for expenses. The details of the loan are as follows:

Southern Heritage Bank (Loan #5588298)

Originated 11/26/12 for \$25,000 payable at 4% interest by March 1, 2013

\$ 25,000

Total

\$ 25,000

CHANGES IN SHORT-TERM DEBT

<u></u>	<u>Balance 12/31/2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2012</u>
Southern Heritage Bank (Loan # 5588298)	-0-	25,000	-0-	25,000
Total	\$ -0-	\$ 25,000	\$ -0-	\$ 25,000

LaSalle Parish Recreation District 22
Olla, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

7. LONG-TERM DEBT

Southern Heritage Bank (Loan #536491)

Originated 9/23/08 for \$62,813 payable \$11,496 annually at 3.25% interest to maturity of 2/27/14.

\$ 19,685

Southern Heritage Bank (Loan #534943)

Originated 3/23/07 for \$20,000 payable \$6,006 annually at 6.5% interest to maturity of 2/27/12.

-0-

Southern Heritage Bank (Loan #538277)

Originated 09/14/10 for \$20,000 payable \$5,496 annually at 4.95% and to be adjusted annually at prime + 1.75% but not to exceed 7% by maturity of 2/27/14.

10,203

Total

\$ 29,888

CHANGES IN LONG-TERM DEBT

	<u>Balance</u> <u>12/31/2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2012</u>
Southern Heritage Bank (534943)	\$ 5,069	\$ -0-	\$ (5,069)	\$ -0-
Southern Heritage Bank (536491)	31,559	-0-	(11,874)	19,685
Southern Heritage Bank (538277)	14,947	-0-	(4,744)	10,203
Total	<u>\$ 51,575</u>	<u>\$ -0-</u>	<u>\$ (21,687)</u>	<u>\$ 29,888</u>

PAYMENTS TO MATURITY

<u>Year Ending</u>	<u>Payable</u>
2013	\$ 16,992
2014	16,992
Total	<u>\$ 33,984</u>

8. BOARD MEMBERS FOR THE YEAR ENDING DECEMBER 31, 2012

Karla Salter	Chairman
Temple Melder	Vice-Chairman
Samantha Wood	Board Member
Kathy Franklin	Board Member
Steve Richardson	Board Member

Board members are paid \$-0- for their services.

Required Supplementary Information

LaSalle Parish Recreation District 22
Olla, Louisiana
General Fund
Budgetary Comparison Schedule
Year Ended December 31, 2012

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Ad Valorem Tax	\$ 105,000	\$ 105,000	\$ 142,313	\$ 37,313
Other Revenue	-0-	-0-	2,341	2,341
TOTAL REVENUES	<u>105,000</u>	<u>105,000</u>	<u>144,654</u>	<u>39,654</u>
EXPENDITURES				
Payroll & Related Taxes	4,000	4,000	5,440	(1,440)
Supplies	2,500	2,500	1,258	1,242
Utilities	18,325	18,325	13,101	5,224
Insurance	7,750	7,750	8,434	(684)
Office Expense	1,050	1,050	618	432
Repairs & Maintenance	13,725	13,725	12,223	1,502
Professional Fees	2,200	2,200	2,739	(539)
Miscellaneous	4,150	4,150	3,796	354
Debt Service	23,000	23,000	22,999	1
YMCA Payroll Reimbursement	30,000	30,000	38,134	(8,134)
TOTAL EXPENDITURES	<u>106,700</u>	<u>106,700</u>	<u>108,742</u>	<u>(2,042)</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(1,700)	(1,700)	35,912	37,612
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-0-	-0-	25,000	25,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>-0-</u>	<u>-0-</u>	<u>25,000</u>	<u>25,000</u>
NET CHANGE IN FUND BALANCE	\$ <u>(1,700)</u>	\$ <u>(1,700)</u>	\$ 60,912	\$ <u>62,612</u>
FUND BALANCE – BEGINNING			58,954	
FUND BALANCE – END			\$ <u>119,866</u>	

See accountant's report.
The accompanying notes are an integral part of this statement.

Other Reports

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MEMBERS

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Certified Public Accountants

MANAGEMENT LETTER COMMENTS

During the course of our review, we observed conditions and circumstances that may be improved. Below are findings noted for improvement, our recommendation for improvement and the District's plan for corrective action.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

There are no current year comments.

**LASALLE PARISH RECREATION DISTRICT 22
OLLA, LOUISIANA**

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS**

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the LaSalle Parish Recreation District 22, Olla, Louisiana has provided the following action summaries relating to review findings brought to their attention as a result of their financial review for the year ended December 31, 2011.

PRIOR YEAR FINDINGS

2011-M-1 Budget Variances (Resolved)

Finding: The District had an unfavorable expenditure variance of \$5,862 or 5.8% for the year.

District's Corrective Action: The District amended the budget when there was an unfavorable variance of more than 5%.